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Hearing On

The U.S.-India ‘Global Partnership’: How Significant for American Interests?

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Introduction

Thank you Mr. Chairman and distinguished members of the Committee for this opportunity to testify on the subject *The U.S.-India ‘Global Partnership’: How Significant for American Interests?*

A key element of the Bush Administration’s stated policy of transforming U.S.-India relations globally is cooperation with India in the wider Asia-Pacific region. As Under Secretary of State for Political Affairs R. Nicholas Burns told the Senate Foreign Relations Committee earlier this month: “We anticipate that India will play an increasingly important leadership role in 21st Century Asia, working with U.S. to promote democracy, respect for human rights, economic growth, stability and peace in that vital region. By cooperating with India now, we accelerate the arrival of the benefits that India's rise brings to the region and the world.”

As requested by the Committee, I will:

- Review briefly India's foreign policy interests and activities in East Asia (except vis-à-vis China which have been/will be addressed by another panelist);
- Assess the extent to which, if any, Delhi is likely to ally itself to American strategic purposes in this region.
- Assess the impact of improved U.S.-India relations, including the proposed civilian nuclear energy cooperation agreement, on our other relationships in the region.

India’s Foreign Policy Interests in East Asia

India’s interests in expanded engagement with East Asia are numerous.

[♦] Dr. Satu Limaye joined the IDA staff on November 14, 2005. These views are personal, and are derived on previoUS research and publications.

First, India seeks to maintain its strategic autonomy by avoiding over-dependence upon the United States, or being over-shadowed by China.

Second, India seeks to avoid diplomatic isolation by being included in regional organizations such as the ASEAN Regional Forum (ARF), ASEAN Plus India Dialogue, and the East Asian Summit.

Third, India's increased engagement with East Asia is intended to facilitate achievement of its great power ambitions, including gaining support for a permanent seat on the United Nations Security Council and recognition as a nuclear weapons state.

Finally, India seeks trade, investment, energy, diplomatic and security gains from relations with individual East Asian countries.

An Assessment of India's Activities in East Asia

India is making steady strides in becoming a more accepted, active regional player.

India is shedding its past image in the region of being economically irrelevant, politically un-influential, anti-American, pro-Soviet and potentially threatening.

India's diplomatic gains include new or renewed high-level political exchanges. Regular institutionalized bilateral dialogues are replacing ad hoc interactions. India has gained membership in major regional multilateral organizations, acceded to the ASEAN Treaty of Amity & Cooperation (TAC), and received support for a permanent United Nations Security Council seat.

India has growing trade and investment ties and has signed or is negotiating several bilateral trading arrangements.

India is cooperating with regional militaries through exercises, facility visits and training. It has established high-level defense and security dialogues including on counter-terrorism.

Importantly, periods of intense India-Pakistan tensions, India's self-declaration as a nuclear weapons state and government changes in New Delhi have interrupted but not derailed the India-East Asia rapprochement.

India will likely achieve an incremental growth of its East Asia profile.

Will India Support American Strategic Purposes in the Region?

Do India's expanded relations with East Asia serve American strategic interests? What are other potential benefits and drawbacks of India's East Asian relations for the United States?

Several aspects of India's East Asia relations are potentially problematic to U.S. interests.

- India's East Asia activities are designed to achieve its strategic autonomy, prevent its marginalization, and increase its power capabilities. India's support for U.S. regional objectives will be measured against these primary goals.
- India cannot be counted on to support the U.S. in a possible containment of China. India's ties with the PRC are not good enough to create a Sino-Indian axis against the U.S., but not bad enough for it to want a formal alliance with the U.S. India will continue to hedge, seeking benefits from both the U.S. and China.
- In a conflict in either of Asia's two key potential flashpoints (i.e., the Cross-Straits and Korean Peninsula) an Indian role supporting the U.S. is difficult to envision.
- India remains wary of initiatives such as the Proliferation Security Initiative (PSI).
- India's cooperation with the military regime in Burma is inconsistent with U.S. policy. India's engagement with Burma is driven by internal security, energy and strategic considerations which are unlikely to change.
- India may ultimately support the development of regional multilateral organizations and identity unfavorable to the U.S.
- Like the U.S., India supports an expanded role for Japan in Asia. However, unlike the U.S., India supports such a role because it believes it will contribute to the emergence of a multi-polar international system and ultimately a Japan less reliant on the U.S. and more receptive to partners such as India.
- Fundamentally, India's current role in East Asia, both in motive and capability, is insufficient to form the basis for transforming U.S.-India relations.

There are, however, also some potential benefits to the U.S. of India's East Asia ties.

- India's improving relations with close U.S. allies and partners such as Japan, Australia and Singapore could nurture multilateral security cooperation and burden-sharing. India already has contributed to niche cooperation such as escorting high-value shipping and post-tsunami humanitarian and disaster relief efforts.
- India's improving relations with East Asia helps regional countries avoid over-dependence on China, which is in U.S. interests.
- India's goal of better ties with East Asia demand maintaining improved ties with the U.S.—providing further motivation for India to cooperate with the U.S.
- Expanded India-East Asia economic ties could spur India's economic growth and compel further liberalization, thereby increasing U.S. commercial opportunities in India.

Implications for U.S.-East Asia Relations

As the U.S. improves relations with India, including possible civilian nuclear cooperation, what responses may be expected from America's allies, partners, and other countries in the region?

- On balance, much of East Asia welcomes an improved U.S.-India relationship. Most East Asian countries have strong ties to Washington and want to build productive ties to India. Solid U.S.-India relations make it easier to achieve this goal.

However, East Asian reactions to the proposed U.S.-India agreement for civilian nuclear cooperation appear more mixed and as yet uncertain.

- In his testimony to the Senate Foreign Relations Committee on November 2, Robert G. Joseph, Under Secretary for Arms Control and International Security discussed some of the international reactions to the proposed initiative. He noted that countries such as the United Kingdom and France have reacted favorably whereas Sweden has not, and many others have adopted a “wait and see” attitude.
- There have been no official, public statements from East Asian governments specifically about their views of the proposed U.S.-India nuclear agreement.
- There are indications, however, based on press reports, past responses to India’s nuclear tests and other sources that suggest East Asia is likely to be wary. For example, a Japan Kyodo News article reports that during recent bilateral U.S.-Japan talks on disarmament and nonproliferation, U.S. officials were told that civilian nuclear cooperation with India could “send the wrong message to North Korea and Iran.” A recent Australian Department of Foreign Affairs and Trade (DFAT) document mentions the proposed U.S.-India nuclear agreement but is silent on Australia’s views of it. In addition, India’s past attempts to seek recognition for its nuclear weapons status by stating its willingness to sign the Southeast Asia Nuclear Weapons Free Zone (SEANWFZ) Protocol was rejected by ASEAN. It should also be noted that key U.S. allies such as Australia and Japan reacted strongly to India’s 1998 nuclear tests.
- East Asian countries are at a minimum taking a “wait and see” approach to the proposed agreement. Their positions in the future are likely to be shaped by several factors including the extent and credibility of Indian nonproliferation commitments; impacts on their other foreign policy interests; and the importance they place on global nonproliferation in their foreign and security policies.
- It seems highly unlikely that any East Asian country (5 of the 44 members of the Nuclear Suppliers Group are from East Asia—Australia, China, Japan, New Zealand, and ROK) will pursue civilian nuclear cooperation with India in the form of supplying technology or material.
- Finally, no East Asian country is likely to advocate *de jure* recognition to India’s nuclear weapons capability, though several regional states have given it a *de facto* recognition.

Despite some uncertainty as to whether East Asia will support the initiative to pursue civilian nuclear cooperation with India, some points are clear:

- U.S. relations with East Asia are unlikely to be seriously harmed by the pursuit of the U.S.-India nuclear cooperation agreement. However, potential frictions can be minimized, particularly with allies such as Japan and Australia, if India implements strong nonproliferation commitments.
- U.S. efforts to improve relations with India in other areas such as trade, investment, global issues, counter-terrorism, maritime security and defense will continue to be welcomed by America’s East Asian partners.